

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

www.hlmx.com

Via USPS Priority Mail

November 10, 2004

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

RECORDATION NO. 25033-E FILED

NOV 15 '04

1-19 PM

SURFACE TRANSPORTATION BOARD

NOV 15 2004

RE: PARTIAL TERMINATION OF SECURITY INTEREST ("Partial Termination") dated as of October 1, 2004, and is made by **BANK OF AMERICA, N.A. ("B of A")**, as the Collateral Agent (the "**Collateral Agent**") for the Secured Parties, for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation, and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation (collectively, "**Helm**").

Dear Mr. Williams:

On behalf of Helm Financial Corporation, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder the following document:

Four (4) fully executed original copies of the above referenced Partial Termination.

In connection with the recording of this Partial Termination, please note the following information:

Name and Address of Helm: Helm Financial Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

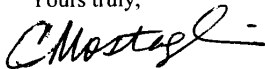
Name and Address of B of A: Bank of America
100 Federal Street
Mail Stop: MAS-100-09-07
Boston, MA 02110

Equipment: Seven (7), locomotives marked HLCX 9414, 9522, 9570; UP 1007, 1010, 1013, 1112.

Please record this Partial Termination as a supplement agreement to STB Recordation No. 25033 filed on July 2, 2004 at 9:33 a.m. Helm's check covering the \$30.00 filing fee is enclosed.

Summary: **Partial Termination** dated October 1, 2004 made by **BANK OF AMERICA, N.A.**, as the Collateral Agent for the Secured Parties, for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation, and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation, for the seven (7) locomotives marked HLCX 9414, 9522, 9570; UP 1007, 1010, 1013, 1112 to be filed as a supplemental agreement to STB Recordation No. 25033.

Yours truly,



Cecilia Mostaghim
Contract Administrator

/cm
Enclosures (4)

**PARTIAL TERMINATION OF
SECURITY INTEREST**

THIS PARTIAL TERMINATION OF SECURITY INTEREST ("Partial Termination") is dated as of October 1, 2004, and is made by **BANK OF AMERICA, N.A. ("Bank of America")**, as the Collateral Agent (the "**Collateral Agent**") for the Secured Parties (as defined in the GCIA described below), for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation, and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation (collectively, "**Helm**").

1. **Recitals.** Helm owns the rail equipment bearing the Association of American Railroads reporting mark and numbers as described in **Exhibit A** attached hereto (the "**Units**"). Helm has granted to the Collateral Agent a security interest in substantially all of its assets now owned or hereafter acquired, upon the terms and conditions provided in that certain Memorandum of Guarantee and Collateral and Intercreditor Agreement dated as of July 2, 2004, between Helm and the Collateral Agent (the "**Memorandum**"), as filed with the Surface Transportation Board of the Department of Transportation ("**STB**") on July 2, 2004 at 9:33 a.m. under Recordation No. 25033. The Memorandum was executed in connection with that certain Guarantee and Collateral and Intercreditor Agreement (the "**GCIA**") dated as of July 2, 2004, among Helm, the Collateral Agent, Bank of America, as TLB/RC Agent (as defined therein) and Bank of America, as TLC Agent (as defined therein).

Helm intends to sell the Units to a third party (the "**Sale**") and desires that such sale shall be free and clear of any lien or security interest of the Collateral Agent. Accordingly, Helm requests the Collateral Agent to terminate its lien and security interest in the Units.


2. **Representation.** Helm hereby represents and warrants to the Collateral Agent and the other Secured Parties that the Sale and the application of the proceeds thereof comply with the terms of the GCIA and each of the Credit Agreements (as defined in GCIA).

3. **Partial Release and Termination.** The Collateral Agent hereby forever releases any and all liens and security interests in the Units granted to it under the Memorandum and the GCIA, and all such liens and security interests in the Units shall be forever terminated, and shall be null and void, upon the filing of this Partial Termination with the STB. The release of liens and security interests hereunder is made without recourse to, or representation or warranty by, the Collateral Agent.

This Partial Termination shall have no effect on the Collateral Agent's lien and security interest in any Collateral other than the Units, and said lien and security interest in such other Collateral are hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, the Collateral Agent has executed this Partial Termination of Security Interest as of the date first above written.

BANK OF AMERICA, N.A., as Collateral Agent

By: 
Print Name: **WILLIAM LATHAM**
Its: **Director**

RECORDATION NO. 25033-E FILED
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SURFACE TRANSPORTATION BOARD

STATE OF MASSACHUSETTS)
) S.S.
COUNTY OF SUFFOLK)

On OCTOBER 21, 2004, before me, ELLEN F. HICKEY, personally
appeared WILLIAM LATHAM, DIRECTOR of BANK OF AMERICA,
N.A.

X personally known to me -OR-

_____ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Ellen F. Hickey
SIGNATURE OF THE NOTARY

[Notarial Seal]



ELLEN F HICKEY
Notary Public
Commonwealth of Massachusetts
My Commission Expires
Sept 12, 2008

EXHIBIT A

To the **PARTIAL TERMINATION OF SECURITY INTEREST** dated as of October 1, 2004

THE UNITS

<u>Reporting Marks:</u>	<u>Type:</u>
HLCX 9414	GP40-2
HLCX 9522	GP40-2
HLCX 9570	GP40-2
UP 1007	SW1500
UP 1010	SW1500
UP 1013	SW1500
UP 1112	SW1500

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

www.hlmx.com

Via USPS Priority Mail

December 7, 2004

Ms. Karen January
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

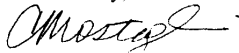
RE: \$4.00 balance due for filings.

Dear Ms. January:

Per our conversation yesterday, enclosed is a check in the amount of \$4.00 to make up the difference of \$2.00 for two (2) filing fees.

Thank you.

Yours truly,



Cecilia Mostaghim
Contract Administrator

/cm
Enclosure